District I
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District II
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District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011

Permit 224052

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address	2. OGRID Number
MACK ENERGY CORP PO Box 960 Artesia, NM 88211	13837
	3. API Number 30-005-64294

4. Property Code	5. Property Name	6. Well No.
316527	AJAX STATE	001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	36	15S	28E	A	330	N	300	E	Chaves

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	36	15S	28E	A	330	N	300	E	Chaves

9. Pool Information

ROUND TANK;SAN ANDRES	52770

Additional Well Information

11. Work Type	12. Well Type	13. Cable/Rotary	14. Lease Type	15. Ground Level Elevation
New Well	OIL		State	3661
16. Multiple	**17. Proposed Depth**	**18. Formation**	**19. Contractor**	**20. Spud Date**
N	3500	San Andres		9/1/2016
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ **We will be using a closed-loop system in lieu of lined pits**

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	450	400	0
Prod	7.875	5.5	17	3500	625	0

Casing/Cement Program: Additional Comments

Mack Energy proposes to drill a 12 1/4" hole to 450', run 8 5/8" casing and cement. Drill a 7 7/8" hole to 3500', run 5 1/2" casing and cement. Put well on production.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. **I further certify I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☒, if applicable.** Signature:		**OIL CONSERVATION DIVISION**	
Printed Name:	Electronically filed by Jerry Sherrell	Approved By:	Paul Kautz
Title:	Production Clerk	Title:	Geologist
Email Address:	jerrys@mec.com	Approved Date:	7/25/2016
Date:	7/22/2016 Phone: 575-748-1288	Conditions of Approval Attached	Expiration Date: 7/25/2018

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Form C-102
August 1, 2011

Permit 224052

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name
30-005-64294	52770	ROUND TANK;SAN ANDRES
4. Property Code	**5. Property Name**	**6. Well No.**
316527	AJAX STATE	001
7. OGRID No.	**8. Operator Name**	**9. Elevation**
13837	MACK ENERGY CORP	3661

10. Surface Location

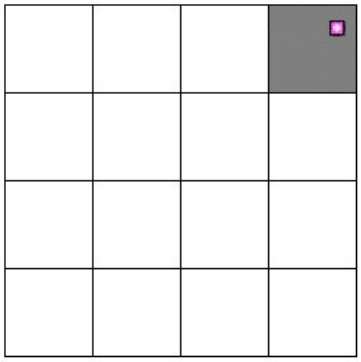
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	36	15S	28E	A	330	N	300	E	Chaves

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County

12. Dedicated Acres	13. Joint or Infill	14. Consolidation Code	15. Order No.
40.00			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

E-Signed By: Jerry Sherrell
Title: Production Clerk
Date: 7/22/2016

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Surveyed By: Frank Jaramillo
Date of Survey: 7/6/2016
Certificate Number: 12797

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PERMIT COMMENTS

Operator Name and Address:	API Number:
MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211	30-005-64294
	Well: AJAX STATE #001

Created By	Comment	Comment Date
jwsherrell	H2S concentrations of well in this area are low enough from surface to TD that a contingency plan is not required.	7/22/2016

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PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
MACK ENERGY CORP [13837] PO Box 960 Artesia, NM 88211	30-005-64294
	Well: AJAX STATE #001

OCD Reviewer	Condition
kjones	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
kjones	Cement is required to circulate on both surface and production strings of casing
kjones	If cement fails to circulate, must run a temperature survey.
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.